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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Task: 5469

July 31, 2013

Ben Ruesch
Sanders Ruesch and Reeve PLLC
55 South 300 West, Suite 1
Hurricane, Utah 84737

Subject: Extension of Division Directive 5469, JG Resources LLC, Etna Mine, S/021/0009, Iron County, Utah

Dear Mr. Ruesch:

I am in receipt of your letter dated July 25, 2013, concerning the referenced mine site. The Division of Oil, Gas and Mining (Division) required that the mine be reclaimed by July 29, 2013, but you requested that the Division not take any further action for another 30-45 days while you attempt to settle the matter or file an appeal with the Board of Oil, Gas and Mining. Accordingly, the Division will not take any enforcement or similar action until at least September 16, 2013.

Although there is historical disturbance at this mine site, it does not appear that any of the disturbance was created by JG Resources. So, although the Division's letter required reclamation, there may be no reclamation for which JG Resources has responsibility. If this is correct, an option would be for the Division to close the file and refund the surety, then for JG Resources to re-apply when it is ready to mine.

Please consider these alternatives with your client and inform the Division by September 16, 2013, if you desire to take one of these actions or if there is another option you would like to pursue. Please contact me at 801-538-5261 or Lynn Kunzler at 801-538-5310 if you have questions about this letter. We can also be reached by e mail at paulbaker@utah.gov or lynnkunzler@utah.gov. Thank you for your cooperation.

Sincerely,

Paul Baker
Minerals Program Manager

PBB: eb

cc: Jerry Glazier, JG Resources
Will Stokes, SITLA (wstokes@utah.gov)

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